



Department of Administration

2000-2001

Annual Report

Quality • Efficiency • Innovation

Pamela I. Ahrens, Director



Winter Communications

Public safety microwave radio communications are provided statewide via transmitters, receivers, and related equipment located at such sites as Snowbank Mountain, at 8,340 feet, seven miles southwest of Cascade.

The State of Idaho shares this facility with the FAA, a local telephone company, and with several federal and local public safety agencies.

(Photo by Jim Price)

Maintaining and Modernizing State's Public Safety Emergency Communications Network

The Department of Administration is responsible for maintaining the State of Idaho's Public Safety Emergency Communications network of 76 mountaintop radio repeater sites, and 52 microwave locations, spanning some 1,170 microwave miles statewide, from Canada to the Utah border.

The Division of Information Technology and Communication Services provides vital public safety radio services for the Idaho State Police, Departments of Transportation, Fish and Game, Lands, Emergency Medical Services and others. The Division is upgrading the network to digital technology by 2003 at a total cost of \$14.5 million. Once completed, the state's public safety and public television networks will be combined. The State of Idaho will host the national Public Safety Wireless Network Symposium in Boise on February 20-21, 2001. (See pages 12-13)

Director's Message:

Pamela I. Ahrens

In early 2000, extensive planning by the Department's Executive Staff with input from our nearly 175 employees resulted in the completion of the **Department's Strategic Plan for FY2000-2001**.

This year's Strategic Plan was a departure from past documents, in that we took an integrated and streamlined approach in our planning process. Rather than focusing separately on each division's many goals and objectives, we worked together to simplify the Plan and establish three overall Department goals. Once the goals were identified, we invited input from our entire department team.

The result was a Plan reflecting a **collaborative effort** by everyone to reach common goals. There was also a renewed realization that it takes **each and everyone of us** in the Department to provide the high standard of individualized, quality, customer service you expect.

We pride ourselves in keeping the overhead costs of government down in order to allow agencies to utilize their cost savings in programs which better the lives of Idahoans, or to support important statewide initiatives such as rural connectivity.

We are pleased to present this Report to you, highlighting our significant accomplishments for this past year, and to outline the major activities we are working on to make government

more efficient.

A major achievement in 2000, and for the first time in our state's history, we began the process toward developing a **Five-Year Facilities Needs Plan** to optimize taxpayers' facilities dollars.

Another significant project promoting the effective and efficient use of Capitol Mall properties, is the ambitious **Capitol Mall Master Plan**, which was accepted by the Permanent Building Fund Advisory Council (PBFAC) in July.

Companies and governments across the globe are vastly expanding their Internet use; and the Idaho Department of Administration is no exception. Just last month, we finished a major re-design of our Department's website. This past May, we launched **accessidaho.org** the state's official *electronic front door* to information and services. This Legislative Session we will introduce legislation to enable electronic procurement by the State of Idaho. Our intent is to provide the most accurate, interactive, and up to date information and services possible to both our taxpayers and our agency customers.

It has been a challenging and a very productive year. We appreciate your support and welcome your comments.



"Serving Idaho Citizens through effective services to their governmental agencies"

Department Goals, Program Description

Goal One

As a lead agency for business management services, provide quality and accurate information to state leadership that enables sound oversight and effective decision-making resulting in timely implementation of state programs.

Goal Two

Using the tools of evolving technologies, and through consultation and collaborative efforts, deliver quality, cost-effective support services to state agencies, which meet their ever-changing needs and business requirements.

Goal Three

Serve as a model for best business practices as demonstrated by a trained, informed, and motivated workforce bringing innovation to Idaho State Government operations.

Department of Administration Program Description:

The Department of Administration is a client-oriented organization dedicated to providing quality, cost effective, administrative, technical, and support services to state agencies.

Our goal is to provide business management and administrative services that improve the productivity and quality of Idaho government.

Our team is committed to offering leadership, expertise and valued-added services with the following management functions:

- Group, Liability and Property Insurance
- Administrative Rules
- Building Design, Management, Construction and Maintenance
- Procurement, Surplus Property and Document Management
- Public Safety Communications
- Voice/Data/Video Network and Internet/Intranet Coordination
- Postal and Quick Copy
- Information Technology Policy, Research and Development

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"Serving Idaho citizens through effective services to their governmental agencies."

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*This Report is accessible in PDF format on the Department's website;
only a limited number of hard copies are available. Contact Pat Wynn, Communications
Manager, 208 332-1827, pwynn@adm.state.id.us*



Len B. Jordan Building, 650 West State Street.

Department Key Accomplishments

The Department of Administration began the year 2000 and a new Century of service to its state agency clients by aggressively pursuing innovation and efficiency throughout its operations. The Department also provided leadership in support of Governor Dirk Kempthorne's information technology initiatives.

The rapid emergence of electronic services in the digital age is causing state government to rethink existing governance structures, business practices, and service delivery methods.

In addition to modernizing its own internal processes and systems, the Department and the Information Technology Resource Management Council (ITRMC), served as a catalyst for change through fostering of collaborate approaches toward effective use of IT with state agencies.

Highlights of this past year's accomplishments include:

E-Government/Effective Use of Taxpayers' Assets

- Served as lead agency host, in cooperation with the Information Technology Resource Management Council, for **Idaho E-Government Boot Camp** for Public Policy Makers held September 7, 2000. Also provided agency leadership and assistance to ITRMC for E-Government and IT Training Workshop for state IT professionals May 25, 2000.
- In collaboration with the ITRMC, launched accessidaho.org the state's official Internet portal on May 3, 2000. It serves as the state's "electronic front door".
- Both the ITRMC and the Department earned **national recognition** for cooperative efforts in promoting and developing strategic direction for electronic government on both a statewide basis and among state agencies. Recognition came from *Government Technology Magazine*, the *Progress and Freedom Foundation*, and the *Council for State Governments*.
- Upgraded the state's **Public Safety Communications Network from analog to digital** capability from the Canadian border to mid-way between Boise and Twin Falls, a multi-year effort.
- Completed the **Idaho Statewide Communications Center** housing essential dispatch/communications agency operations.

Governor Dirk Kempthorne is introduced by Director Pam Ahrens at Idaho "best practice" E-Government Boot Camp for Policy Makers held in September.



Facility Management and Construction

- Completed the **Capitol Mall Master Plan** including recommendations for remodel and expansion of Ada County Courthouse.
- Developing, for the first time in state history, a comprehensive **Five Year Facilities Needs Plan** to maximize taxpayers' real property assets.
- Analyzed all 400 plus **facility leases** to assess cost benefits.
- Administered **342 public works projects**, either in design or under construction. 96 new projects in FY01; 213 projects closed in FY00.

Procurement, Insurance, Department Management

- Posted all **bids and contracts on the Internet**.
- Saved an estimated \$2.5 million in payment and processing costs annually by using **Purchasing Card (P-Card)**.
- Will introduce legislation in 2001 to enable **electronic procurement** by State of Idaho.
- Modification of **Long-Term Disability Limitations** for Special Conditions, April 2000.
- Introduction of **Integrated Behavioral Health Plan (IBHP)** integrating mental health, substance abuse and EAP services, implemented July 1, 2000.
- **Fixed price vehicle program** though Federal Surplus Property processed 57 vehicles from federal government to local and state agencies in FY00, saving \$171,000.
- Concluded final testing on **new department business management financial system**.

E-Government and Effective Use of Taxpayers Assets

Statewide IT Initiatives . . .

accessidaho.org

Accessidaho.org was officially launched this past May and today, 1.5 million more visitors point and click their way to on-line government information and services. This amounts to the State of Idaho serving the needs of 106,000 citizens every day who visit the many agency websites via the state's official web portal and "electronic front door."

In a relative short period of time, the *Idaho Information Consortium*, (IIC) the state's contractual partner, has worked closely with state agencies to establish a variety of e-government solutions. More than 15 agencies are collaborating with IIC staff on current and future projects, and acknowledging improvement in operations of government and access to respective services.

In late October, the first interactive application **accepting credit cards for payment** was put in service. It allows businesses and citizens to purchase Secretary of State's **Certificates of Existence** online 24 hours a day, seven days a week. **Real estate license renewal** applications also went online in October.

The Department of Agriculture will soon launch **online pesticide registration** featuring use of personal identification numbers. It will be the first Idaho agency to use this level of security through the web portal. In December, the Council of State Governments presented Idaho with one of only two **national E-Government Leadership Awards** for having the "best all-around state government website."

Department Re-Designs and Launches New Website

After several months of content development and creative design by Idaho Information Consortium staff, the Department of Administration in December premiered its new presence on the world wide web.

The Department's website is one of the largest ones within Idaho state government, with nearly 4,000 total content files. The goal was to make it *easier and more understandable* for customers and citizens to access information about services and products. As a result, on-line files have been consolidated and streamlined to approximately 2,700 files.

Statewide IT Initiatives . . .

ITRMC



The ITRMC (Information Technology Resource Management Council) continued to provide leadership and encourage collaborative approaches to the statewide strategic development and implementation of IT innovation this past year.

Putting the state's successful transition to Y2K behind it, the Council pursued other major initiatives and activities including:

- Development of statewide digital telecommunications infrastructure.
- Launched the state's official web portal, **accessidaho.org** in May of 2000.
- Conducted successful E- Government 'Boot Camps' in May and September, 2000.
- Developed a standardization policy for agency e-mail, network operating systems.
- Established a statewide GIS coordinator position and promoted coordination.
- Continued oversight of ITTP, Information Technology Employee Training Program,
- Organized a statewide Internet security task force.

New Council members were appointed by Governor Dirk Kempthorne in 2000. They are Roger Parks, J.R. Simplot Corporation, Private Industry Representative; and Mary Elizabeth Jones, Twin Falls, as Representative for Rural Interests. This January, Rep. Lee Gagner of Idaho Falls, was appointed by the Governor as a new Legislative Representative, replacing Rep. Randy Hansen. The ITRMC was established in 1996 and provides strategic direction to all state agencies in their efforts toward effective IT management and sharing of statewide IT resources.

E-Government and Effective Use of Taxpayers Assets

Statewide IT Initiatives . . .

IDANET Proposal

Collaborative efforts, involving the Department of Administration, the ITRMC, the Department of Education, the State Board of Education, and key vendors continue in the further development and modification of the **IDANET** request for proposal for statewide telecommunications services.

The purpose of IDANET is to establish a shared statewide digital communications infrastructure that would integrate the telecommunications needs of state agencies and institutions of higher education. An additional goal is to create a concentration of demand for high-speed telecommunications services such that the State could leverage its presence and make the services available for use by other public agencies, including local school districts and the private community, particularly in Idaho's rural areas.

It is anticipated that implementation could begin in midsummer following the RFP process. The State of Idaho does not intend to build and operate its own high-speed network, but will **purchase services from bandwidth providers**. Other states have implemented similar strategies to IDANET including Montana, Wyoming, and Virginia.

The IDANET initiative will work in concert with the Governor's newly announced **Broadband Initiative** to bring high-speed broadband connectivity to Idaho's rural communities.

Idaho Earns National Recognition in Digital States Survey

During this past year, the State of Idaho earned national recognition for its progress in implementing information technology in its participation in the year-long **Digital States Survey**.

Conducted annually by *Government Technology Magazine* and the Progress and Freedom Foundation, Idaho earned an overall ranking of **13th in the nation** as a result of top-ten performances in the categories of Electronic Commerce and Business Regulation, (tied for 9th place with Michigan); Digital Democracy, (tied for 3rd place with Kansas, Minnesota, and Wisconsin); and for its 8th place scoring in the Higher Education portion. When Idaho first began its participation in the nationwide Survey in 1998, it was ranked 32nd for its overall utilization of information technologies in similar categories.

Statewide IT Initiatives . . .

Purchasing Modernization

In response to agency comments and concerns regarding the various purchasing processes, the Department formed a **Purchasing Modernization Task Force** in August, 1999. The group consisted of purchasing professionals from various agencies and the **Division of Purchasing** and individuals from the Division of Financial Management (**DFM**) and the State Controllers Office (**SCO**). Later it grew to include the Division of Human Resources (**DHR**).

The mission of the Task Force was to evaluate the current statewide purchasing system and recommend improvements designed to assure efficiency and effectiveness, incorporate advances in technology and provide stability and flexibility for public purchasing. Four committees were formed to study and make recommendations on such procurement issues as system flexibility, education and professional development, vendor registration and bidding and technology.

Procurement Legislation This Session

As a result, legislation has been drafted for this Session that will **enable electronic procurement** by the State of Idaho. The intent is to utilize state-of-the-art electronic purchasing techniques making the present system more flexible and responsible to agencies' needs and making it easier for the vendor community to sell to the state. (*see pages 20-21*)



Photo at left:
Frank Pierce,
Division of
Purchasing,
standing, leads
discussion with
working group of
Purchasing
Modernization
Task Force.

E-Government and Effective Use of Taxpayers Assets

Statewide IT Initiatives. . . *[Microwave Network Digital Upgrade](#)*

Over the past year, the **Division of Information Technology and Communication Services (DITCS)** upgraded significant portions of the state's public safety microwave network as part of the multi-year conversion of the 1,170 mile system from analog to digital technology. The network modernization begun in 1997, represents an investment of \$14.5 million, and is scheduled for completion in 2003.

Nearly \$10 million has been invested so far to provide **expanded bandwidth and communication services** for those public safety agencies who utilize the network including the Departments of Law Enforcement, Fish and Game, and Transportation. The digital upgrade will also benefit the operations of Idaho Public Television.

The Legislature provided funding during the 1998-99 session to continue the west-east build out of the network.



Jim Price, DITCS staff, checks electronic equipment at Rocky Flat radio site near Mountain Home.

Clarence Dishner, DITCS, works on technical communications end for new Statewide Communications Center, located at ISP complex.



Statewide IT Initiatives ... *Idaho Statewide Communications Ctr.*

The Department of Law Enforcement (DLE) in collaboration with the Department of Administration and DITCS, the Departments of Transportation, Bureau of Disaster Services and Emergency Medical Services, opened the new **Idaho Statewide Communications Center** (also referred to as Multi-Agency Center) in December.

The new center located at the Idaho State Police complex in Meridian, will provide 24 by 7 public safety services, combining dispatch and communications services for agencies and affording better utilization of personnel. **Phase 1** of this project, the construction of a new building to house the system operations of the state's digital and analog microwave network, was completed in the fall of 1999. The DITCS microwave services facility is adjacent to the new center.



Dispatch operations of the ISP, ITD, F&G and Emergency Medical Services, are located in the new Statewide Communications Center, at the ISP complex in Meridian.

In FY98, the Legislature appropriated \$105,000 for the first phase of this project. In FY99, an additional \$1.7 million was appropriated. Completion of both phases of this major undertaking positions the State of Idaho for introduction of the latest in digital technologies to improve statewide public safety services, including digital trunked radio capability.

On February 20-22, 2001, the State of Idaho will host a **Public Safety Wireless Network Program Symposium** in Boise where national, state, and local officials will discuss technical and policy issues related to the establishment of shared, interoperable public safety communications across all levels of government.

E-Government and Effective Use of Taxpayers Assets

Facility Management . . .

Five Year Facilities Plan

With the advent of changes to the Idaho Code, and the acquisition of the Ada County Court House within the Capitol Mall, the process to develop a comprehensive **real estate asset management plan** was formally begun during 2000.

Prior to this past year, the State of Idaho had no comprehensive policy for the management of its facility/real estate assets, either leased or owned. An opportunity to lower or contain facility costs could be realized if a multi-agency management strategy were in place.



In 1998, **SB1340** was signed into law to provide for the creation of an inventory and program for evaluation of state facility leases. To further cost-control and efficiency, a package of facility management bills was approved by the Legislature this past Session. The immediate impact was for agencies to prepare a five-year facility needs plan for consolidation by the Department into a statewide facility needs plan for submittal to this year's Legislative Session.

The remaining bills streamline the disposal process for surplus buildings, clarify property management responsibilities of the Departments of Administration and Lands; and provide that the Dept. of Lands maintain a data base for centralization of tax-payer owned lands.

The Department has convened a **Facilities Management Team** who will work closely with all agencies to ensure compatibility to build a detailed **facilities information data base** for use by state leadership and citizens so decisions can be made on the future of state facilities programs. In addition, a Five Year Plan and Facilities Handbook has been assembled for agency use and a comprehensive report will be prepared for the Legislature.

Facility Management . . .

Idaho Capitol Commission

The Capitol Building is a monument to the history of the State of Idaho and serves as host to Idahoans and their visitors. The Idaho Statehouse is a working capitol, in that it houses the Idaho State Legislature during legislative sessions and serves as the office complex for legislative staff year round.

In 1999, the Idaho State Legislature appropriated \$120,000 and the firm of CSHQA/Isthmus was hired as the consultant to complete a **Master Plan for the restoration of the Idaho State Capitol Building**, DPW Project No. 99-014. The consultant completed a Historic Structures Report (The Capitol Commission approved the Preservation Plan on Nov. 9, 1999); a study of the current spatial uses of the building; a program for the future spatial uses of the building; an analysis of mechanical, electrical, data and communications systems; and a code analysis of the building.

The Master Plan was adopted July 19, 2000 by the Idaho Capitol Commission and awaits funding approval this Session. Total project cost is estimated at \$64 million. On Dec. 19, 2000, the Commission recommended a restoration plan, incorporating funding from the state's budget surplus and by state bonds. The Governor has recommended \$32 million in general funding for FY2001. Legislation will be proposed this year to bond the additional \$32 million. Additional funding will also be sought through private contributions, reducing the bond amount. Much of the renovation's cost would be used for critical needs including bringing the building up to minimum safety codes; making long-neglected structural repairs; and overhauling the Capitol's heating and air conditioning, electrical, plumbing, communications and security systems. The renovation project will take place over a number of years with the completion goal of July of 2005.



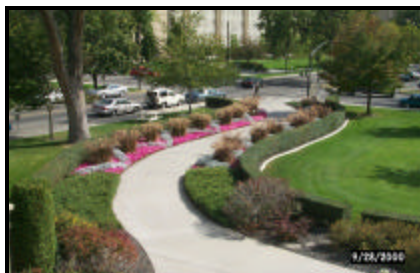
E-Government and Effective Use of Taxpayers Assets

Facility Management . . .

[Capitol Mall Master Plan](#)

Promoting the effective and efficient use of Capitol Mall properties and facilities is a major goal of the **Capitol Mall Master Plan**, accepted by the State Permanent Building Fund Advisory Council in July.

The Plan, developed by the Department and its Master Planners Leatham-Krohn-Van Ocker Architects, is an inventory and assessment of Mall facilities and properties as well as a short and long range planning tool.



Statehouse sidewalk to State Street.

In 1999, the Legislature appropriated \$430,000 for the development of the Plan, and preliminary studies began later that year as part of the comprehensive three-part planning process.

The Capitol Mall presently includes properties on 20 city blocks. Of the 17 state-owned Mall buildings, 13 are currently in use by the state and 16 are included in the study. A major component of the Plan is the analysis of the **Ada County Courthouse** property, acquired by the state in late 1999. A determination of the full utilization of the new acquisition is under review.



Plaza area adjacent to the Joe R. Williams Building at 700 West State is a popular gathering place for state employees.

Capitol Mall Master Plan

The Plan has been propelled by a number of factors including the need for current and comprehensive facility and property data; the ongoing need for additional and/or reconfigured agency floor space; the need for Capitol Mall traffic, pedestrian, parking improvements; and the state's acquisition of the Ada County Courthouse Building.

Most importantly, the Master Plan is intended to be a "dynamic" document, easily modified, refined, and updated over time. It is essentially an **electronic database of building and user agency information** in text, numerical, and graphic form. The information will be an invaluable resource in future space planning, capitol improvement planning, and in the development of agency 5-year facility needs plans.



Capitol Mall Area

The **five goals of the Project** are:

1. Assure the continued viability of the Capitol Mall as the administrative center of Idaho State government,
2. Promote the efficient and effective use of Mall property and facilities,
3. Create an improved sense of Mall identity and cohesiveness.
4. Improve accessibility to and circulation between Capitol Mall facilities, and
5. Develop Mall facility documentation, assessment and planning tools.

Informational meetings have been held with Legislative Leadership, Idaho legislators throughout the state, along with leading City of Boise and Ada County Highway district officials. Public meetings will be announced soon, and the entire Plan is accessible on the Department's website.

E-Government and Effective Use of Taxpayers Assets

Facilities Management

During the year 2000, the Division of Public Works and its Facilities Management, Design and Construction staffs successfully administered 342 projects, either in design or under construction. Ninety-six new projects were established for FY01; and nearly 213 projects were completed this past year.

Facility work concluded on both Phase I and Phase II of the State Communications Center in Meridian; the new BSU Parking Garage, and a new conference center for the Department of Agriculture, to name a few. Major construction projects set for completion during 2001 include the U of I Ag-BioTech Laboratory Building in Moscow; the BSU Student Recreation facility, Boise; and Phase I and II of the BSU West Campus in Nampa.

In 2001, design work begins for the Veteran's Cemetery and construction will get underway for the ISU Performing Arts Center in Pocatello; the new BSU Boise tennis facility; and, if funded, the Lewis-Clark State College Campus Activity Center in Lewiston.

In addition to approximately \$90 million in construction projects either completed or underway this past year, the Division achieved other significant accomplishments. They included:

- Completion of the **Capitol Mall Master Plan** including recommendations and options for potential remodel, expansion of the Ada County Courthouse.
- Began developing, for the first time in state history, a comprehensive **real estate asset management plan**, a multi-year effort.
- Analyzed all 400 plus facility leases to **assess cost benefits**

Public Works Projects



The U of I Ag/BioTech laboratory facility is set for completion in spring of 2001.

Public Works Projects

for lease purchase agreements. The state leases approximately 1.9 million square feet of leased space statewide at a cost of about \$19 million annually. Negotiated about 118 new leases and renewals last year representing 455,000 square feet at an annual cost of \$4,632,000.

- Completed the **Milo Creek** storm water drainage/flood control project in northern Idaho.
- Working in collaboration with all state agencies, completed and distributed an **Emergency Procedures** booklet, a **Facilities Management** Manual, and a statewide guidebook on "**Workplace Violence Prevention.**"
- Improved the vitality of the Statehouse grounds by **improving the water source** of its irrigation system.
- Preserved the integrity of the Idaho Falls state office building by **replacing its outdated heat pump** system.
- Developed a **Capitol Mall Parking website** with on-line parking tag signup and management utilities; started an electronic newsletter for Capitol Mall alternative transportation.
- Successfully welcomed the year 2000 with **no major Y2K problems.**

Photo at right: New BSU Parking Facility was completed ahead of schedule, and under budget in 2000.



Photo at left: Facilities Services staff, Terry Baker, electrician, left; and Paul Whitson, maintenance craftsman.

Procurement, Insurance Management and Department Internal Operations

Purchasing Initiatives and Modernization . . .

Task Force

The Division of Purchasing aggressively pursued actions and initiatives to enable electronic procurement for the State of Idaho this past year. Formed in August of 1999, the **Purchasing Modernization Task Force**, comprised of various state agencies, worked diligently to develop the basis for legislation to be presented this Legislative Session. Proposed legislation will address vendor registration, ability to negotiate with vendors and multiple award contracts.

This modernization effort will address outdated code and rules, making it easier for the vendor community to understand and participate in the competitive solicitation process.

During this past year, the Division has been **posting all bids and statewide contracts to the Internet**. Paper use has been reduced by one-third, substantially reducing distribution costs and increasing the number of vendor contacts.

Participating early on in the pilot project were the Departments of Health and Welfare, Environmental Quality, Water Resources, and 20 vendors representing four different industries. The Division plans to step into full bid posting, award, and ordering via the Internet within the next six months of 2001. Results of this effort will dramatically reduce the costs of doing business and will ensure full and open competition while eliminating geographic constraints.



Clark Camenga, coordinates web posting for Division of Purchasing.

State of Idaho Purchasing Card 'P-Card' Affords Savings to Agencies

State agency use of the 'P-Card' is resulting in substantial savings in paperwork and payment processing. Thirty agencies are using the card, compared to 25 a year ago. Total purchases

Purchasing Initiatives and Modernization . . . ***Federal Surplus***

for FY00 stands at approximately \$8.2 million compared to \$6.2 million at the end of FY99. This past year there were 1,952 card users and 61,753 transactions, compared to 1,111 users completing 47,129 transactions at the end of FY99.



Bruce Hutchinson, business manager,
Federal Surplus Property operations.

Federal Surplus Property

During FY00, the Division's **Federal Surplus Property operation** and its fixed price vehicle program processed 57 vehicles from federal government to cities, counties, school districts and state agencies, for a cost savings of \$171,000. These are late model, low mileage vehicles which would normally not have been available to these agencies. In addition to vehicles from highway graders to concrete mixers, the warehouse located at 6941 South Supply Way in Boise, features office furniture, business and construction equipment, a variety of tools and related items.



Photo at left:
Pam Baldwin reviews
film as part of her work
at the Records
Management Center.
The program is
responsible for
storage, file delivery,
archival micrographic
computer output laser
(COLD) services, and
state forms inventory
for state agencies.

Procurement, Insurance Management and Department Internal Operations

Purchasing Initiatives and Modernization . . . *Postal Services*

Every work day, the Central Postal Services Bureau processes approximately 35,000 pieces of mail, or about 600,000 items monthly.

At the close of FY00, nearly 7.3 million letters and packages were processed through more than 150 agency accounts.

Postal operations has been located at the same area in the basement level of the main parking garage since the mid-70's, and through the years, equipment changes and additions were placed wherever space was available. Over the past six months of FY00, a remodel project has greatly improved workflow and accommodated the upgrade of the bureau's **new bar coding equipment** and the addition of an **x-ray security scanner**. Technologically, the new equipment is generations ahead of any other mail sorting technology, is designed to handle a wider variety of mail pieces, is more flexible and 39 percent faster. This allows the state to realize more postal discounts through work sharing. Last year, the state realized a **discount savings of \$215,342.**



Dean Courtright, at the new mail sorter.



At new x-ray security scanner, from left, State Security Manager Ron Evans; Dan Jullion, Facilities Services; and Sue Smith, Postal Services.

Purchasing Initiatives and Modernization . . .

Copy Center

The Copy Center is always fast-paced in meeting the individual and varied needs of the many Idaho state government agencies it serves, but often there are times when Center staff must accelerate at a rapid pace to meet short-term deadlines for its customers.

Last year was the first year the Copy Center produced all of the bills for the **Idaho Legislature**. This project involved producing nearly 1.7 million impressions (enough paper that if laid end to end would go from Meridian to Blackfoot), using over a mile of staples, and 335 combined staff overtime hours between January and April. This was in addition to the normal routine.

This past year, a new **digital, high speed photocopier** was placed into service, taking the Center to the leading edge of digital printing. The printer allows for simultaneous copying of multiple jobs and for receiving jobs electronically. With the new equipment, the Copy Center is able to cost-effectively produce high quality, complex documents at 135 pages per minute in run lengths (quantities) from one to as long as needed. Additional paper trays reduce handwork and increase input capacity.



Photo at top, Copy Center Manager, Mona Whittington; and in photo at right, Kay Martinson, operates new high-speed digital photocopier.



Procurement, Insurance Management and Department Internal Operations

Insurance Management . . .

[Group Insurance](#)

The employee benefit programs administered by the Office of Insurance Management represent a significant investment and financial commitment on behalf of the State of Idaho.

As an example, take an average state employee who is 47 years old, married with two children and earns \$16.32 an hour or approximately \$34,000 per year.

In FY01 and for this example, the State will pay this average employee, \$3,843.48 or \$320.29 a month for his or her health insurance coverage; \$147.96 a year for Dental; and \$95.28 for the new Integrated Behavioral Health Care Plan. In addition, the Life & Disability coverages charged at a rate equal to 1.10 percent of salary, represent an expenditure of \$373 as well.

State Benefit Plans Cover 47,130 Lives

As of July 1, 2000, there were 21,687 employees and retirees enrolled in the state's medical and dental plans, including 25,443 dependents. Over 18,840 or 87 percent of the group were active employees with an average age of 45. The other 13 percent or approximately 2,840 were retirees with an average age of 71. This represents a total of **47,130 covered lives under the plans**. Both the medical and dental plans are contributory plans where both employee and the state contribute toward the monthly premiums.

To assure that the state's benefit programs are managed as efficiently as possible, the Department this year will be remarketing the indemnity medical and dental plans now underwritten by Regence Blue Shield of Idaho and by Delta Dental. Competitive bids from insurers and/or third party administrators will be sought.

New Integrated Behavioral Health Plan (IBHP)

Effective July 1, 2000, the new **Integrated Behavioral Health Plan (IBHP)** combined the mental health and substance abuse benefits, formerly a part of the state's medical plan, and integrated them with the state's previous Employee Assistance Plan (EAP). The plan delivers the highest quality of services and is administered by Business Psychology Associates.

Insurance Management . . .

Risk Management

The goal of the Risk Management program is to minimize the "cost of risk" to the State of Idaho, which is the sum of direct and related costs associated with every facet of the State of Idaho's pure risk. In implementing this goal, the steps can be as simple as 1) sponsoring safety classes; 2) conducting defensive driving classes; or 3) visiting with state agencies about their safety needs; or as complex as developing a contingency plan for a large computer center, enabling continued operations should a fire destroy its operations. Since the risk management process is so broad, all employees and agencies within Idaho state government are involved with managing that risk.

Annual premium collected for FY2000 totaled \$6.1 million. This included premium for property coverages and the self-insured liability coverage as well as broker fees and the Risk Management administrative fee which accounts for approximately 8 tenths of one percent of annual premium.

All claims are adjudicated by Insurance Management staff, with the assistance of outside adjusters, excess carriers and defense counsel. During FY2000, the state incurred over 1,200 new property and liability claims. At the end of the fiscal year there were 372 open claims, of which 106 were in litigation. Total reserves for open and unpaid claims amounted to \$14,218,062; in excess of \$650,000 were expended on legal fees.

Initiatives for FY01-02

The Division of Internal Management Systems will be enhancing a **statewide lost prevention and control program** in FY01-02. The program will include an extensive training component to begin to address more prevalent types of liability claims, and a resource center for agency use.

The Division is also exploring the feasibility of **self-insuring employee benefits programs**. The Legislature granted the Department the authority to self insure coverages. Feasibility analyses are being prepared relative to selected areas of the overall program as well as the entire employee benefit program.

Procurement, Insurance Management and Department Internal Operations

Department Internal Management . . . *Administrative Rules*

The Office of Administrative Rules (OAR) is chartered under Idaho code to oversee and manage the administrative rules process within the state. Individual agencies are responsible for rule content.

The office has improved electronic access to rules information on its website through implementation of Adobe Acrobat software. The site is fully searchable and the printed pages mirror the appearance of the printed versions of the **Administrative Code** and the monthly **Bulletin**.

Increased on-line access of the Administrative Rules site has reduced the number of orders for hard copy versions of the monthly Bulletin. As a result, the contract for monthly printing of the Bulletin was reduced by 50 copies per month, resulting in an estimated cost savings of approximately \$4,500 annually.



Administrative Rules staff, from left, Dennis Stevenson, Karen Gustafson, and Ed Hawley.

Industrial Special Indemnity Fund

The Industrial Special Indemnity Fund was established in 1927 as part of the state's workers compensation system. ISIF adjudicates claims and administers total and permanent disability benefits for injured workers who suffer a **second injury** in the workplace and are unable to return to work. The Fund receives all its money from insurance companies or self-insured employers and, as such, neither costs nor saves Idaho State government money. The Fund has increased flexibility in the settlement of claims and has begun funding the current \$25 million unfunded annuitant liability. Benefit payments have increased from \$1.6 million in 1997 to \$3.4 million in 2000. Litigation costs have been reduced to half during the same time period.

Human Resource Development, Financial Management

Employee, Department Innovation . . .

A key component in the Department's strategic planning process this past year has been the involvement of its employees into the goal and objective setting process. As a result, employees have been empowered to take the initiative on a variety of projects and activities, over and above normal job responsibilities, which have benefited all state agencies. Major projects have included:

- Completion of a statewide **"Prevention of Violence in the Workplace"** manual, representing a year-long, collaborative effort by more than 10 major state agencies. The manual has been submitted for potential recognition by the National Association of State Facilities Administrators *"Innovations Award."*
- Completion and distribution of an **Emergency Procedures Booklet** for Capitol Mall agencies and employees involving the statewide security staff and key agency representatives.
- Developed an electronic newsletter promoting **alternative transportation options** for Capitol Mall employees.
- Conducting an Idaho **E-Government 'Boot Camp' for Policy Makers** attended by more than 200 state agency directors, legislators, elected officials, local government leaders and officials, and featuring nationally known authorities on how to implement effective e-government.

Photo at right: State Board of Education was one of more than a dozen state agency booth exhibitors demonstrating on-line applications at E-gov boot camp. Dr. Greg Fitch, left, and Senator Hal Bunderson, visit Idaho Electronic Campus display.



Human Resource Development, Financial Management

Financial Management . . .

FY2001 Program Budget

The Department received an FY2001 budget appropriation of **\$25,509,300** to provide the following services to State agencies:

Administrative Support	\$ 1,214,500
Small Agency Support	\$ 54,800
Industrial Special Indemnity Fund	\$ 216,300
Administrative Rules	\$ 556,000
Insurance Management	\$ 1,206,000
Information Technology Resource Management Council	\$ 715,500
Information Technology and Communication Services	\$ 3,920,600
Design and Construction	\$ 7,064,300
Facilities Management	\$ 7,065,600
Purchasing	\$ 2,712,700
Idaho Capitol Commission	\$ 983,000
Total:	\$ 25,709,300

Financial Management . . .

FY 2001 Expenditures

The largest category of expenditures for the Department is personnel at \$8,487,400. The next significant category is the annual payment of \$7,100,000 for principle and interest on state owned buildings.

The Department's **FY 2001** budget included enhancements to continue major initiatives in information technology, facilities management and school building safety. Specific enhancements included:

- 1) Expansion of Wide Area Network security and switching capabilities
- 2) Public School Safety inspection follow-up program
- 3) Statewide facility assessment and analysis
- 4) Enhancement of the Department's management information system.

The Department received a one-time appropriation of \$100,000 for Y2K remediation in state owned buildings. The appropriation was not utilized and was reverted at the end of FY 2000.

Photo at right: Francine Gonzales, seated, and Marylou Daley, Division of Internal Management Systems financial analysts, review test printouts of department's new integrated financial information management system.



Human Resource Development, Financial Management

Financial Management . . .

Programmatic Revenues

The Department of Administration is responsible for programmatic revenues and expenditures of \$158,967,500.

Major areas of emphasis are:

Insurance Programs:

(Benefit programs, Property, Liability and ISIF) **\$ 111,689,500**

Capital Projects **\$ 30,953,000**

Communications and Technology **\$ 6,816,200**

Facilities Management **\$ 5,234,800**

Document Management **\$ 871,600**

Technology Training Program **\$ 995,700**

Administrative Rules **\$ 471,000**

Federal Surplus Property **\$ 363,700**

Administrative Services **\$ 1,572,000**

Total: **\$ 158,967,500**

This report provides a general overview of the operations and initiatives of the Department of Administration in accordance with **Idaho Code Section 40-316 (1)**.

Costs associated with the publication are available from the Department of Administration in accordance with **Idaho Code Section 60-202**.



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